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Mainframe Modernization Survey Report 2025

Industry focus: Telecommunications & Media

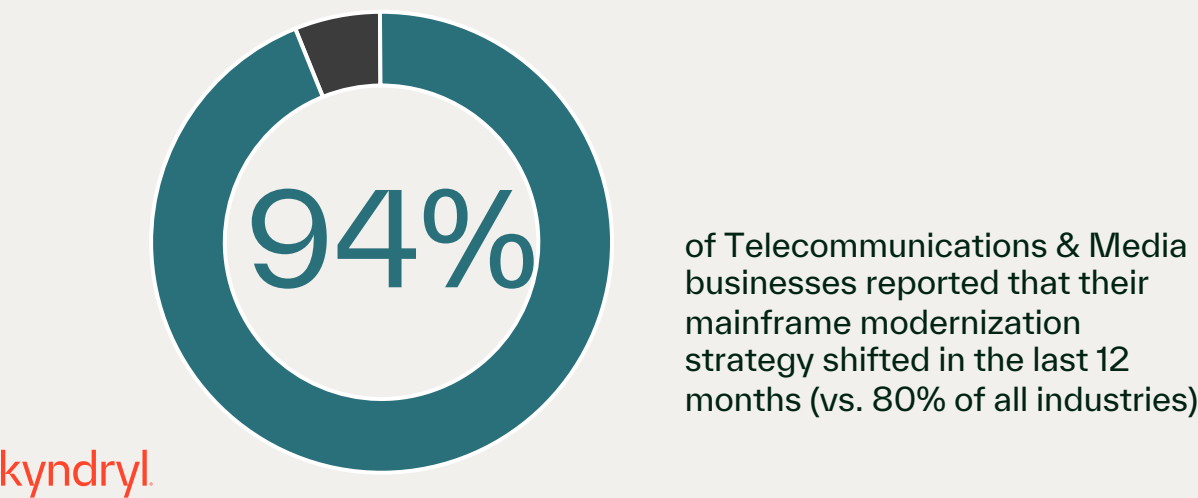


How Telecommunications & Media companies are approaching mainframe modernization in 2025

Modernizing IT environments has never been more challenging – or more urgent.

In 2025, Kyndryl commissioned Coleman Parkes Research to undertake the third annual global survey of 500 senior leaders at enterprises that make use of mainframes. The research found that while the mainframe continues to offer businesses a reliable, secure, and high-performance platform for their core operations, enterprises are dynamically adapting mainframe modernization strategies in response to changing market opportunities.

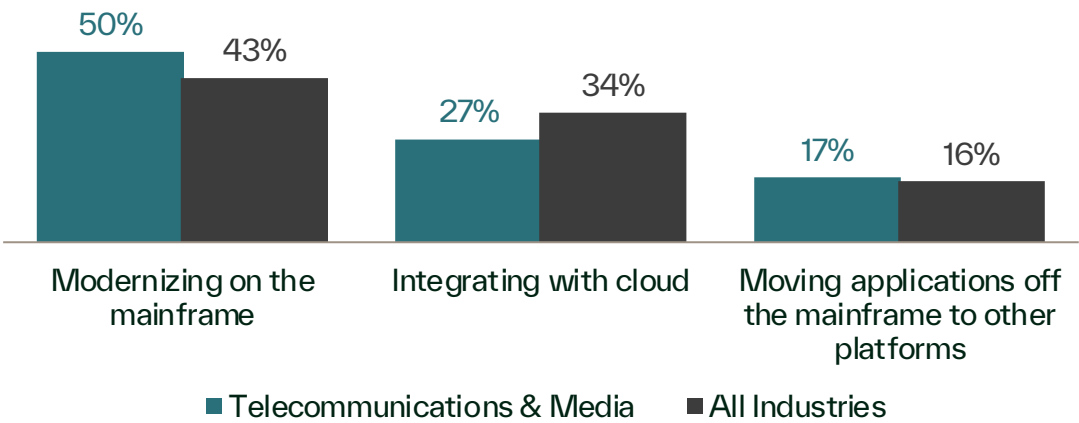
The evolving capabilities of the mainframe allow it to remain central to IT strategies. Organizations continue to accelerate and steer their evolution, opening up a wealth of new possibilities.



FINDING 1

Businesses are embracing a surprisingly nimble approach to their modernization strategy

HOW STRATEGIES HAVE CHANGED



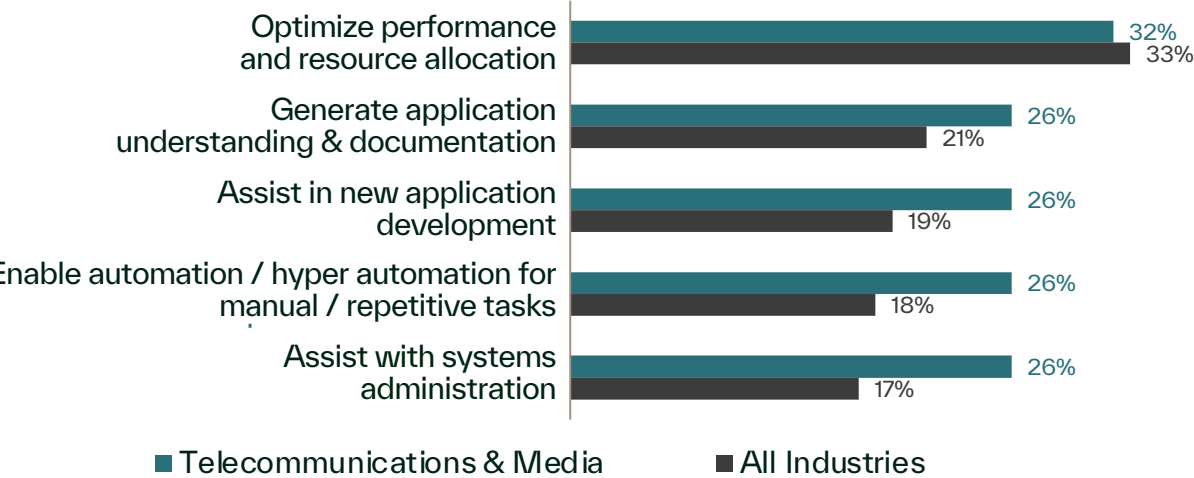
ANNUAL EXPECTED SAVINGS FROM MODERNIZATION PROJECTS (TELECOMMUNICATIONS & MEDIA ONLY)



FINDING 2

Deployment of AI and generative AI on the mainframe starts to pay off

TOP AI MAINFRAME USE CASES



\$13 million

Estimated revenue projected over the next three years from AI/gen AI initiatives (vs. \$44 million for all industries)

\$12 million

Projected savings (labor, operational, business) over the next three years from AI/gen AI initiatives (vs. \$29 million for all industries)

FINDING 3

The majority of businesses are increasing usage of the mainframe, despite respondents reporting a decline in the platform’s importance to overall strategy

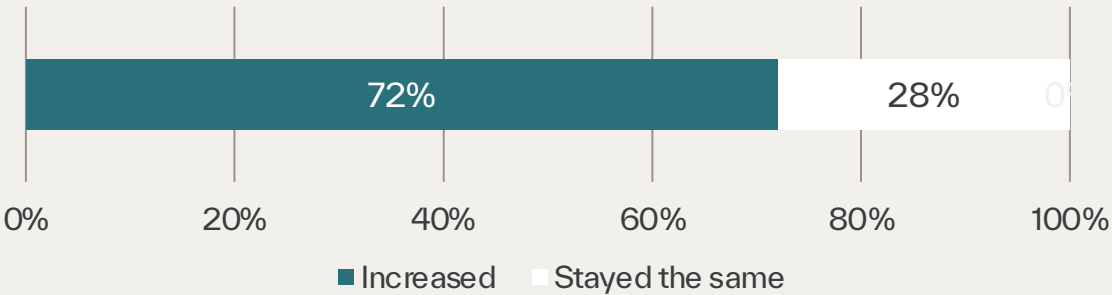
75%

of Telecommunications & Media organizations say mainframe is very or extremely important to their strategy and operations (on par with 78% across all industries)

WHY TELECOMMUNICATIONS & MEDIA BUSINESSES ARE KEEPING WORKLOADS ON THE MAINFRAME

- 1. Business criticality of the data (34%)
- 2. Access to AI technologies (34%)
- 3. Avoids risks and complexity (34%)
- 4. Ability to better meet regulatory or compliance requirements (31%)

MAINFRAME USE: LAST 12 MONTHS (TELECOMMUNICATIONS & MEDIA ONLY)



FINDING 4

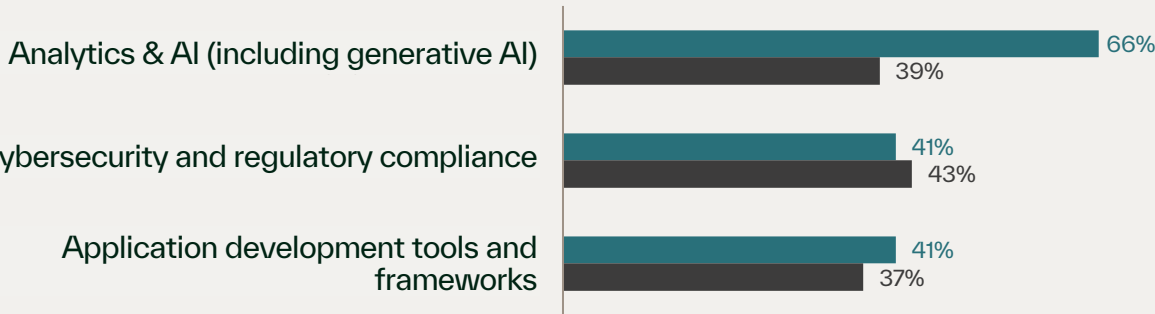
Mainframe modernization requires a multi-skilled organization

88% of Telecommunications & Media organizations **struggle to find skilled talent** for mainframe modernization projects (vs. 70% across all industries)

TOP CHALLENGES IN MAINTAINING A SKILLED WORKFORCE



MAIN SKILLS DEVELOPMENT INVESTMENTS



■ Telecommunications & Media ■ All Industries



FINDING 5

Regulatory compliance requirements have an outsized influence on modernization plans and strategies, while security remains a top concern

97% of Telecommunications & Media organizations say regulatory compliance is influencing their organizations' decision-making regarding mainframe mod (vs. 94% of All Industries)

#1

Telecommunications & Media organizations say **security is the #1 key area** their organizations factor into their decision-making when developing a mainframe modernization strategy

HOW REGULATORY COMPLIANCE REQUIREMENTS INFLUENCE DECISION-MAKING

- 1. **Accelerating modernization** timelines to meet compliance requirements (48%)
- 2. **Increasing collaboration** between IT, security, and compliance teams (39%)
- 3. **Driving investment** in robust security and resiliency measures (35%)

For more information on Kyndryl's work with Telecommunications & Media businesses, visit: <https://www.kyndryl.com/us/en/industries/communication-and-media>

To read Kyndryl's 2025 Mainframe Modernization Survey Report, scan the QR code



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